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dans la sphère de la pensée pure et dans le monde antique où il s'enferme. Pour lui, l'Europe reste toujours celle des Grecs et des Romains, et l'Amérique n'a pas été découverte."

It is unnecessary to add that the work is thoroughly scholarly and abreast of the most recent research. The outlines and quotations above will give a better idea of the nature of the work as a whole than would be possible in any brief criticism.

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The Truth About the Trusts. A Description and Analysis of the American Trust Movement. By JOHN MOODY. Pp. xxii, 514. Price, \$5.00. New York: Moody Publishing Company, 1904.

Trusts of To-day. Facts Relating to their Promotion, Financial Management and the Attempts at State Control. By GILBERT HOLLAND MONTAGUE, A. M. Pp. xvii, 219. Price, \$1.20. New York: McClure, Phillips & Co., 1904.

The importance of the trust question is indicated by the rapidly increasing volume of literature devoted to that subject. The comprehensive reports of the Industrial Commission and the excellent little book, prepared by Professor Jenks, summarizing the main conclusions he had reached as the result of his connection with the Industrial Commission and others of less note, are now supplemented by Mr. Moody's volume on "The Truth About the Trusts." This book is a compilation of information made possible by the activity of Mr. Moody's Bureau of Corporation Statistics which was established to secure the data required for the publication annually of "Moody's Manual of Corporation Securities." This Manual has within the short space of four years come to fill a useful place in the current literature regarding corporations.

"The Truth About the Trusts" contains four parts: (1) an introduction devoted mainly to definitions of the Trusts, of Monopoly, and of Watered Capital; (2), a description, history and analysis of the greater and lesser Industrial Trusts, of the more important franchise trusts, and of the larger groups of railroads; (3), the classified statistics of the three kinds of trusts just mentioned, and (4) a general review of the trust movement, containing a statement of the magnitude and power of the trusts, and a brief discussion of "so-called remedies." There is appended to the book a brief list of books and articles treating of the trust question.

The larger part of the volume, and by far the most valuable part, is devoted to a description and the history of the "seven greater Industrial Trusts" and eighty-five of the "lesser Industrial Trusts." Every student of the trust question must feel indebted to Mr. Moody for the compilation of this descriptive and historical material.

The next most important feature of the book is the "classified statistics of trusts." The statistics cover 318 active Industrial Trusts. The total number of combinations—industrial, franchise and transportation—listed in the volume is 445. The information contained in this statistical compilation is so valuable that the author's summary may well be briefly stated in this review. He says:

"The aggregate capitalization outstanding in the hands of the public of the 318 important and active Industrial Trusts in this country is at the present time no less than \$7,246,342,533, representing, in all, consolidations of nearly 5,300 distinct plants, and covering practically every line of productive industry in the United States."

"Of the 318 active Industrial Trusts here given, 236 have been incorporated since January 1, 1898, and 170 are organized under New Jersey laws. Those incorporated prior to January 1, 1898 (the year in which the modern Trust-forming period really dates its beginning), represent a total capitalization of but \$1,196,724,310, while those formed since that date make an aggregate of \$6,049,618,223." Speaking of the extent to which these trusts exercise control in their respective industries or markets, Mr. Moody says that the percentages "range all the way from 10 % to 95 %, and there are many cases in which the Trust does not control more than 40 %. Of the total 92, however, 78 control 50 % or more of their product, and 57 control 60 % or more. Twenty-six control 80 % or over."

The author's list of important Franchise Trusts includes 111 entries. "In this list are embraced important public service consolidations, including telephone, telegraph, gas, electric light and other electric railway companies, representing about 1,336 original corporations. The total outstanding capitalization of these Franchise Trusts is as reported, \$3,735,456,071."

In discussing railroad consolidations Mr. Moody describes six groups or "Communities of Interest," which together "represent a combined outstanding capitalization (par value of stocks and bonds) of \$9,397,363,907, or nearly 80 % of all the floating railroad capitalization of this country." Mr. Moody says these six railroad groups control directly and indirectly, "nearly 95 % of the vital and American railway mileage." "This railway consolidation embraces about 1,040 original companies."

"Thus it will be seen that including industrial, franchise, transportation and miscellaneous, about 445 active trusts are represented in the book with a total capitalization of \$20,379,162,551. They embrace in all about 8,664 original companies."

"To analyze these figures slightly in detail we find that of the Industrial Trusts 10 have \$100,000,000 capitalization or over, 30 have \$50,000,000 or over and 129 have \$10,000,000 or over. Of the Franchise Trusts 11 exceed \$100,000,000, 23 exceed \$50,000,000 and 94 exceed \$5,000,000. Of the six Great Railroad Groups, all exceed \$1,000,000,000 capital, while the Morgan Group exceeds \$2,200,000,000."

Mr. Moody's account of the grouping of railroads by Communities of Interest, though brief, is instructive; but his discussion of the causes which have brought about railway consolidations, is a decidedly weak and trite rehearsal of the facts compiled by C. F. Beach, Jr., Esq., in a brief prepared for submission to the Supreme Court, in connection with the Northern Securities case.

Mr. Moody's summary of the Trust problem in his "General Review of the Trust Movement" is disappointing. What he says about the magnitude and

powerful influences of the Trusts is based on concrete data and is highly valuable, but what the author says regarding the remedies, reveals a superficial knowledge of the literature and laws regarding trusts; and his general conclusion shows a narrow bias against all governmental interference with the activities of the powerful trusts. There is much said against existing legislation regarding trusts, but nothing against the control of production and prices by unregulated combinations. Moody says: "It is a peculiar fact that while the term monopoly is more or less obnoxious to us all, the thing itself does not seem to be."

Mr. Montague has written a readable and well-balanced little book in which he discusses the views of the Industrial Commission regarding trusts, considers the recent legislation of the States and Congress, analyzes the recent decisions of the courts on questions involving the common and statutory law as applied to monopoly and restraint of trade, and sets forth the work accomplished by Ex-Attorney General Knox. The general reader will find the book a good survey of the Trust problem.

Six chapters of the volume deal with the development of industrial combination, the savings of combination, the evils of practical monopoly, the evils in present trust organizations, the history of anti-trust legislation and the outlook for trust regulation.

The conclusion reached in discussing the evils of practical monopoly, is that the ills connected with the industrial monopolies tend to correct themselves, but that the evils of "railway discrimination stand out as the ill that is not self corrective." The other abuse calling for correction by law is found in the "defective organization and faulty management" of modern trusts. "Over capitalization," the author says, "is the first great evil of modern trust organizations." This evil tends to correct itself so slowly, that some statutory remedy must be applied.

Mr. Montague summarizes his views concerning the method by which the trust question may be solved, in the following words: "By enforcing publicity in interstate trading corporations—assuming that the trusts are demonstrably engaged in interstate commerce—the whole evil arising from the form of modern trust organization might be corrected. By strengthening the Interstate Commerce Act to prevent freight discrimination, the whole evil of practical monopoly might be corrected. These two last remedies, be it noted, carry in themselves the cure of most trust ills. In harmony with stricter State corporation laws, enacted along the lines laid down by the proposed New York Companies' Act and the recommendations of the Industrial Commission these remedies might relieve the trust situation."

EMORY R. JOHNSON.